

MO470032
Task ID#5431
cc: April

KIRTON | McCONKIE

Robert S. Prince
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May 7, 2013

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MAY 07 2013
DIV. OF OIL, GAS & MINING

HAND-DELIVERED

Ms. Penny Berry
Bond Coordinator
Utah State Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Re: Tar Sands Holdings II, LLC

Dear Ms. Berry:

As you are aware, this law office is retained to represent the interests of Tar Sands Holdings II, LLC ("TSHII"). Enclosed please find the following documents in the above-referenced matter:

1. April 30, 2013 Letter Agreement to Zions First National Bank re Reclamation Surety, Account #002420131 at Zions First National Bank, signed by both TSHII and Zions First National Bank, to be signed by John R. Baza, Director of the Utah Division of Oil, Gas & Mining.
2. Large Mine Reclamation Contract, signed on April 29, 2013 by TSHII, and to be signed by Dana Dean, Associate Director of the Division.
3. Application for Transfer of Notice of Intention To Commence Large Mining Operations, signed on May 3, 2013 by Crown Asphalt Ridge ("Transferor") and TSHII ("Transferee"), with the accompanying Notice of Intention To Commence Large Mining Operations, also signed on May 3, 2013 by TSHII.

Please provide me with a fully-executed copy of the Letter Agreement and the Reclamation Contract, once they are both signed by the Division. If you have any questions or need any other materials, please give me a call.

Ms. Penny Berry
Bond Coordinator
Utah State Division of Oil, Gas and Mining
May 7, 2013
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Thank you for your assistance with this matter.

Sincerely,

KIRTON McCONKIE



Robert S. Prince

RSP:sjq

Enclosures

cc: Brent Andrews
Scott Rasmussen
Darwin Bingham

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291

APPLICATION FOR TRANSFER
OF
NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Application is hereby made to transfer the permit to commence large mining operations for the Asphalt Ridge 2 project, permit # M/047 / 0032, currently operated by Crown Asphalt Ridge, LLC (transferor) to Tar Sands Holdings II, LLC (transferee).

As used herein, TRANSFEROR refers to the current operator; TRANSFeree refers to the proposed new operator; NOI refers to the Notice of Intention to Commence Large Mining Operations; PERMIT refers to the approved (or accepted) NOI, including the reclamation contract and reclamation surety.

Upon approval of the Application for Transfer:

1. The Transferor agrees to transfer all rights and obligations to operate under the terms of the NOI to the Transferee, The Transferor will not retain any rights to conduct mining operations within the area covered by the approved NOI.
2. Both parties understand the transfer of the ***NOI is not complete until all the applicable requirements are met***, including the submittal and Division approval of an appropriate reclamation surety and a reclamation contract.
3. The transferee has read and has a copy of the current NOI.
4. The Transferee has inspected the site and is fully aware of all existing conditions and responsible for compliance with the conditions of the permit and the obligations regardless of the nature of the conditions at the site.
5. Transferee shall conduct large mining operations on lands included in the NOI in accordance with the Utah Mined Land Reclamation Act, (ACT) Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended), and the rules promulgated under the ACT (R647- et seq., and the approved NOI.
6. The Transferee shall provide a surety in a form and amount approved by the Division to assure reclamation of the lands affected by the mining operations.

The **Transferor** will remain liable for compliance at the mine site until this transfer application is approved.

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DIV. OF OIL, GAS & MINING

The signatory below represents that he/she has authority to execute this transfer on behalf of the Transferor, if not a natural person. Statements made in the application are true and correct to the best of my knowledge and belief.

TRANSFEROR:

Crown Asphalt Ridge, LLC

Operator/Transferor Name

By Soung J. Kim

Name of Authorized Officer (Typed or Printed)

Authorized Representative

Title of Authorized Officer

[Signature]

Officer's Signature

May 3rd
April, 2013

Date

STATE OF UTAH)

) ss:

COUNTY OF SALT LAKE)

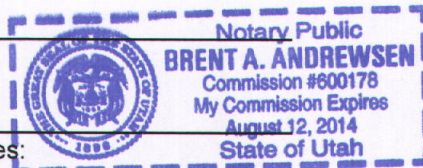
On the 3 day of April ^{May}, 20 13, Soung J. Kim
personally appeared before me, who being by me duly sworn did say that he/she is
an authorized representative (owner, officer, director, partner, agent or other (specify))
of the Operator Crown Asphalt Ridge, LLC
and duly acknowledged that said instrument was signed on behalf of said Operator
by authority of its bylaws, a resolution of its board of directors, or as may otherwise
be required to execute the same with full authority and to be bound hereby.

[Signature]

Notary Public

Residing at

My Commission Expires:



The signatory below represents that he/she has authority to execute this transfer on behalf of the Operator/Transferee, if not a natural person; and the operator/transferee is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah. Statements made in the application are true and correct to the best of my knowledge and belief.

TRANSFeree:

Transferee - Tar Sands Holdings II, LLC

Operator/Transferee Name

By Kevin Baugh

Name of Authorized Officer (Typed or Printed)

Manager

Title of Authorized Officer

[Signature]

Officer's Signature

MAY 3, 2013

Date

STATE OF UTAH)

) ss:

COUNTY OF SALT LAKE)

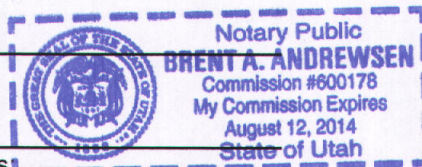
On the 3 day of April may, 20 13, Kevin Baugh
personally appeared before me, who being by me duly sworn did say that he/she is
an Manager (owner, officer, director, partner, agent or other (specify))
of the Operator Transferee - Tar Sands Holdings II, LLC
and duly acknowledged that said instrument was signed on behalf of said Operator
by authority of its bylaws, a resolution of its board of directors, or as may otherwise
be required to execute the same with full authority and to be bound hereby.

[Signature]

Notary Public

Residing at

My Commission Expires



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

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DIV. OF OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at <http://www.rules.utah.gov/publicat/code/r647/r647.htm> and http://le.utah.gov/~code/TITLE40/40_08.htm.

"Large Mining Operations" are operations which have a disturbed area of more than ten surface acres at any time in unincorporated areas, or more than five acres in incorporated areas.

I. GENERAL INFORMATION (Rule R647-3-104)

1. **Name of Mine:** Asphalt Ridge 2
- 2.A. **Name of Entity Applying for a Permit:** Tar Sands Holdings II, LLC
Contact (Authorized Officer): Kevin Baugh, Manager
Mailing Address: 6445 So. Wasatch Blvd., Suite 105
City, State, Zip: Salt Lake City, UT 84121
Phone: (801) 268-4331 **Fax:** (801) 365-1256
E-mail Address: kevin.baugh@endeavorcap.net
- Entity is a: ☐ Corporation ☒ LLC ☐ Sole Proprietorship (dba) ☐ Individual
☐ Partnership (☐ General or ☐ limited) ☐ Other (specify type) _____

Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) If not currently registered, contact www.commerce.utah.gov to renew or apply.

- 2.B. Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No
Business Entity #: 8583654-0160
Local Business License #: _____ (if required)
Issued by: County: _____ **or City:** _____

Registered Utah Agent (as identified with the Utah DOC) (if individual leave blank):

Name: Corporate Agent Services, LLC **Title:** Registered Agent
Address: 60 East South Temple, Suite 1800
City, State, Zip: Salt Lake City, UT 84111-1004
Phone: (801) 328-3600 **Fax:** (801) 321-4893
E-mail Address: bandrewsen@kmclaw.com

2.C. Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division.

Name: Michael Cicchella Title: Manager
Address: 980 Elliott Street
City, State, Zip: Buffalo, NY 14209
Phone: (312) 952-9800 Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: mcicchella@osmose.com

Name: Brent A. Andrews Title: Attorney for Tar Sands Holdings II, LLC
Address: Kirtan McConkie, 60 E. South Temple St., Suite 1800
City, State, Zip: Salt Lake City, UT 84111-1004
Phone: (801) 328-3600 Fax: (801) 321-4893
Emergency, Weekend, or Holiday Phone: (801) 440-3908
E-mail Address: bandrewsen@kmclaw.com

3a. If Business is a Sole Proprietor (dba) or Individual:

Name of Owner: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

3b. If Business is a Corporation:

Name of Officers: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____
Headquarters Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

3c. If Business is a Limited Liability Company: ☐ Member Managed ☒ Manager Managed

Name of 1st Member/Manager: Kevin Baugh Title: Manager
Business Address: 6445 So. Wasatch Blvd., Suite 105
City, State, Zip: Salt Lake City, UT 84121
Phone: (801) 268-4331 Fax: (801) 365-1258
E-mail Address: kevin.baugh@endeavorcap.net

Name of 2nd Member/Manager: Michael Cicchella Title: Manager
Business Address: 980 Ellicott Street
City, State, Zip: Buffalo, NY 14209
Phone: (312) 952-9800 Fax: _____
E-mail Address: mcicchella@osmose.com

3d. If Business is a Partnership:

Names of First Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Names of Second Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

CERTIFICATION

This certification must be signed by:

- (1.) an executive officer if the applicant is a corporation;
- (2.) a partner if applicant is a partnership (general or limited);
- (3.) the owner if applicant is a sole proprietorship;
- (4.) a member or manager if applicant is a limited liability company; or
- (5) the individual if the applicant is filing as an individual:

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. the (transferor), has provided a copy of the approved mining and reclamation plan. I will follow the approved mining and reclamation plan until such time that I provide the Division with an amended Notice of Intention (plan) and receive approval of the amended Notice;

AND

- b. I commit to the reclamation of the aforementioned large mining operation as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature: _____

Date: ^{MAY} April 3, 2013

Name (typed or printed): Kevin Baugh, as Manager for Tar Sands Holdings II, LLC

Title/Position (if applicable): Manager

Utah Business Search - Registered Principals

Registered Principals

Name	Type	City	Status
TAR SANDS HOLDINGS II, LLC	Limited Liability Company	Salt Lake City	Active

Position	Name	Address
Registered Agent	CORPORATE AGENT SERVICES, LLC	60 EAST SOUTH TEMPLE STE 1800 Salt Lake City UT 84111
Manager	KEVIN BAUGH	ENDEAVOR CAPITAL GROUP LLC Salt Lake City UT 84121
Manager	MICHAEL CICCHELLA	ELGINE SERVICES COMPANY INC Buffalo NY 14209

If you believe there may be more principals, click here to

Search by:

- Search by:
- Business Name
- Number
- Executive Name
- Search Hints

Name: